

**BOULT  
CUMMINGS  
CONNERS  
& BERRY**

LAW OFFICES

414 UNION STREET, SUITE 1600  
POST OFFICE BOX 198062  
NASHVILLE, TENNESSEE 37219

Michael B. Bressman  
(615) 252-2399  
Fax: (615) 252-6399  
Email: mbressma@bccb.com

TELEPHONE (615) 244-2582

FACSIMILE (615) 252-2380

INTERNET WEB <http://www.bccb.com/>

January 4, 2000

David Waddell  
Executive Director  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

Re: Application of MGC Communications, Inc. for a Certificate of Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange Service, Intrastate Interexchange Service, and Access Service Within Tennessee  
Docket No. 99-00993

Dear Mr. Waddell:

Enclosed please find an original and 13 copies of the following items, which are hereby incorporated into the Application of MGC Communications, Inc. for a Certificate of Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange Service, Intrastate Interexchange Service, and Access Service Within Tennessee (filed December 29, 1999):

- An original notarized signature page to the Pre-filed Testimony of Richard E. Heatter (Exhibit 9). The pagination for this exhibit shifted slightly between the copy signed by Mr. Heatter and the one filed on December 29th.
- A signature page to MGC's Small and Minority-Owned Telecommunications Business Participation Plan (Exhibit 6)
- Projected financial statement and capital expenditure budget for the years 2000 through 2002 (new Exhibit 10).

**Because Exhibit 10 contains confidential and proprietary business plans and financial information, it is being filed in a separate envelope under seal as confidential information pursuant to TRA Rule 1220-1-1.03(8).**

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If you have any questions concerning this matter, please give me a call.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

A handwritten signature in black ink, appearing to read "Michael B. Bressman", with a long, sweeping horizontal line extending to the right.

Michael B. Bressman

Enclosures

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A: I will serve as the responsible regulatory officer for the TRA to contact regarding MGC filing requirements subsequent to approval. With respect to the service contract, MGC has made arrangements for its customers to call the company at its toll-free customer service number, 1-888-777-5802. In addition, customers may contact MGC in writing at MGC's headquarters, as well as via e-mail at [www.mgci.com](http://www.mgci.com).

Q: Has MGC been involved in any pertinent mergers or acquisitions?

A: No.

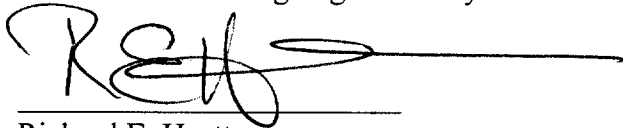
Q: Will MGC comply with all applicable statutes, rules and orders pertaining to the provision of telecommunications services in Tennessee?

A: Yes.

Q: Does this conclude your testimony?

A: Yes.

I swear that the foregoing testimony is true and correct to the best of my knowledge.



Richard E. Heatter  
MGC Communications, Inc.

Subscribed and sworn to before me this 29<sup>th</sup> day of December, 1999.

Molly J. Pace  
Notary Public

State of Nevada

County of Clark

My Commission expires April 1, 2001



MOLLY J. PACE  
Notary Public - Nevada  
My appt. exp. Apr. 1, 2001  
No. 97-1134-1

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**Small and Minority-Owned  
Telecommunications Business  
Participation Plan**

Pursuant to T.C.A. § 65-5-212, as amended, MGC Communications ("MGC") submits this small and minority-owned Telecommunications business participation plan (the "Plan") along with its Application for a Certificate of Public Convenience and Necessity to provide competing intrastate interexchange and local exchange services in Tennessee.

**I. PURPOSE**

The purpose of Section 65-5-212 is to provide opportunities for small and minority-owned business to provide goods and services to Telecommunications service providers. MGC is committed to the goals of Section 65-5-212 and to taking steps to support the participation of small and minority-owned Telecommunications businesses in the Telecommunications industry. MGC will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, MGC will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to MGC of such opportunities. MGC's representatives have already contacted the Department of Economic and Community Development, the administrator of the small and minority-owned Telecommunications assistance program, to obtain a list of qualified vendors. Moreover, MGC will seek to increase awareness of such opportunities so that companies not otherwise identified will

have sufficient information to participate in the procurement process.

## II. DEFINITIONS

As defined in Section 65-5-212:

*Minority-Owned Business.* Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000).

*Small Business.* Small business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

## III. ADMINISTRATION

MGC's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting MGC's full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

James Mitchell  
Regional Vice President - Southeastern U.S.  
MGC COMMUNICATIONS, INC.  
3301 North Buffalo Drive  
Las Vegas, NV 89129  
(702) 310-8258

The Administrator's responsibilities will include:

- (1) maintaining an updated Plan in full compliance with Section 65-5-212 and the rules and orders of the Tennessee Regulatory Authority.

- (2) establishing and developing policies and procedures necessary for the successful implementation of the Plan.
- (3) preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
- (4) serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in Section 65-5-212.
- (5) searching for and developing opportunities to use small and minority-owned businesses and encouraging such business to participate in and bid on contracts and subcontracts.
- (6) providing records and reports and cooperate in any authorized surveys as required by the Tennessee Regulatory Authority.
- (7) establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.
- (8) providing information and educational activities to persons within MGC and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce  
The Tennessee Department of Economic and Community Development  
The United States Department of Commerce  
    Small Business Administration  
    Office of Minority Business  
The National Minority Supplier Development Council  
The National Association of Women Business Owners  
The National Association of Minority Contractors  
Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will including

offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production and deadline requirements.

### III. RECORDS AND COMPLIANCE REPORTS

MGC will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such business. In addition, MGC will maintain records of educational and training activities conducted or amended and of the internal procurement procedures adopted to support this Plan.

MGC will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, MGC will cooperate fully with any surveys and studies required by the Tennessee Regulatory Authority.

MGC Communications, Inc.

By: 

Name

Title

Dated: December 7, 1999